



JOSEPH KELLY
TREASURER AND TAX COLLECTOR

COUNTY OF LOS ANGELES TREASURER AND TAX COLLECTOR

KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 437
LOS ANGELES, CALIFORNIA 90012
TELEPHONE: (213) 974-2101 FAX: (213) 626-1812



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September 06, 2016

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

30 September 6, 2016

LORI GLASGOW
EXECUTIVE OFFICER

REQUEST TO ACCEPT COMPROMISE OFFERS OF SETTLEMENT (ALL SUPERVISORIAL DISTRICTS AFFECTED) (3 VOTES)

SUBJECT

This is to request Board approval to accept compromise offers of settlement for patients who were injured in a third party compensatory accident and received medical care at a County facility. The Treasurer and Tax Collector (TTC) staff entered into negotiations with the liable parties and reached the following settlement agreements, which are beyond the TTC's authority.

IT IS RECOMMENDED THAT THE BOARD:

Pursuant to Section 1473 of the Health and Safety Code, authorize acceptance of the following compromise offers of settlement:

1. Account Numbers 12861406 and 12869927 in the amount of \$9,687.98
2. Account Number 12815861 in the amount of \$7,248.73
3. Account Number 12924567 in the amount of \$11,687.37
4. Account Number 12992389 in the amount of \$4,642.53
5. Account Number 12701695 in the amount of \$21,500.00
6. Account Number 12990880 in the amount of \$5,000.00
7. Account Number 12924562 in the amount of \$3,427.00
8. Account Number 12609754 in the amount of \$43,155.89
9. Account Number 12999733 in the amount of \$344,814.00

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

These compromise offers of settlement are recommended because the subject patients are unable

to pay the full amount of charges and the compromise offers represent the maximum amount the TTC was able to negotiate or was offered under the legal settlement requirements involved in these cases.

The best interest of the County would be served by authorizing acceptance of these compromise offers of settlement, as they will ensure maximum possible collection on these accounts.

Implementation of Strategic Plan Goals

The recommended action supports Goal 1, Operational Effectiveness/Fiscal Sustainability, of the County's Strategic Plan by collecting funds owed to the County.

Strategic Asset Management Principles Compliance

Not Applicable.

FISCAL IMPACT/FINANCING

Authorizing acceptance of these compromise offers of settlement will enable the County to maximize collections on these accounts.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Under County Code Title 2, Division 3, Chapter 2.52.040 (L), the TTC has the authority to reduce patient account liabilities by the greater of: (i) \$15,000, or (ii) \$75,000 or 50 percent of the account balance, whichever is less. Any reduction exceeding this authority requires Board approval. These account reductions exceed this authority.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

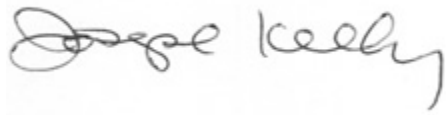
Authorizing acceptance of these compromise offers of settlement will result in net revenues for the County, which will in turn assist the County in meeting its fiscal responsibilities.

The Honorable Board of Supervisors

9/6/2016

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Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Joseph Kelly". The signature is fluid and cursive, with the first name "Joseph" written in a more compact, looped style, and the last name "Kelly" written in a more open, cursive style.

Joseph Kelly

Treasurer and Tax Collector

JK:KK:KG:BR:ms

Enclosures

c: Chief Executive Officer
Executive Officer, Board of Supervisors

DATA FOR COMPROMISE SETTLEMENT

COUNTY OF LOS ANGELES – TREASURER AND TAX COLLECTOR TRANSMITTAL 139A

Amount of Aid	\$116,316.00	Account Number	12861406 and 12869927
Amount Paid	0.00	Name	Adult Male
Balance Due	\$116,316.00	Service Date	03/28/13-04/25/13 \$110,596.00 07/23/13-07/27/13 \$5,720.00
Compromise Amount Offered	9,687.98	Facility	LAC USC Medical Center & Harbor UCLA Medical Center
Amount to be Written Off	\$106,628.02	Service Type	Inpatient/Outpatient

JUSTIFICATION

The client was involved in a motorcycle versus bicycle accident. He was treated at LAC USC Medical Center for inpatient care at a cost of \$110,596.00 and was treated at Harbor UCLA Medical Center for outpatient care at a cost of \$5,720.00. The client did not have Medi-Cal or private insurance.

The attorney has settled the case for the amount of \$75,000.00 and proposes the following disbursement:

Disbursements	Total Claim	Proposed Settlement	Percent of Settlement
Attorney Fees	\$ 33,750.00	\$33,750.00	45.00%
Attorney Costs	4,627.23	4,627.23	6.17%
CompSpec Inc. (Lien holder for Saint Frances Hospital)	183,839.31	15,609.48	20.81%
County of Los Angeles	116,316.00	9,687.98	12.92%
Net to Client	N/A	11,325.31	15.10%
Total	\$338,532.54	\$75,000.00	100.00%

Our financial investigation reveals that the client is unemployed. The client is not receiving public assistance and has no source of income or tangible assets.

DATA FOR COMPROMISE SETTLEMENT

COUNTY OF LOS ANGELES – TREASURER AND TAX COLLECTOR TRANSMITTAL 139B

Amount of Aid	\$24,293.00	Account Number	12815861
Amount Paid	0.00	Name	Adult Female
Balance Due	\$24,293.00	Service Date	05/16/11 – 05/24/11
Compromise Amount Offered	7,248.73	Facility	LAC USC Medical Center
Amount to be Written Off	\$17,044.27	Service Type	Inpatient/Outpatient

JUSTIFICATION

The client was involved in a slip and fall accident. She was treated at LAC USC Medical Center at a cost of \$24,293.00. The client did not have Medi-Cal or private insurance.

The attorney has settled the case for the amount of \$60,000.00 and proposes the following disbursement:

Disbursements	Total Claim	Proposed Settlement	Percent of Settlement
Attorney Fees	\$14,300.00	\$14,300.00	23.83%
Attorney Costs	12,190.00	12,190.00	20.32%
County of Los Angeles	24,293.00	7,248.73	12.08%
Health Care Financial Services	5,850.00	1,696.50	2.83%
Healthpointe Medical Center - Los Angeles	18,464.74	5,354.77	8.92%
Net to Client	N/A	19,210.00	32.02%
Total	\$75,097.74	\$60,000.00	100.00%

In preparation for trial, the attorney incurred expert fees and other costs, which assisted him in reaching a settlement. The Attorney Costs include \$3,200.00 in liens from two other attorneys who initially worked on the case. The Attorney Costs could have been higher if the case had gone to trial.

Our financial investigation reveals that the client is unemployed. The client is not receiving public assistance and has no source of income or tangible assets.

DATA FOR COMPROMISE SETTLEMENT

COUNTY OF LOS ANGELES – TREASURER AND TAX COLLECTOR TRANSMITTAL 139C

Amount of Aid	\$106,124.00	Account Number	12924567
Amount Paid	0.00	Name	Adult Male
Balance Due	\$106,124.00	Service Date	08/29/12 - 01/18/13
Compromise Amount Offered	11,687.37	Facility	LAC USC Medical Center
Amount to be Written Off	\$ 94,436.63	Service Type	Inpatient/Outpatient

JUSTIFICATION

The client was involved in a motor vehicle traffic accident. He was treated at LAC USC Medical Center at a cost of \$154,664.00. The client had restricted Medi-Cal benefits, which covered emergency services only. Medi-Cal covered \$67,350.00, which included Medi-Cal's payment of \$18,810.00 and \$48,540.00 in contractual adjustments, leaving a net balance of \$106,124.00. The client did not have private insurance.

The attorney has settled the case for the amount of \$75,000.00 and proposes the following disbursement:

Disbursements	Total Claim	Proposed Settlement	Percent of Settlement
Attorney Fees	\$ 30,000.00	\$25,000.00	33.33%
Attorney Costs	5,669.39	5,669.39	7.56%
Avantgarde Medical	10,740.00	1,219.82	1.63%
Cert-Tech Diagnostics Inc.	2,359.92	269.22	0.36%
Chematox Biosciences, LLC	3,871.79	440.76	0.59%
County of Los Angeles	106,124.00	11,687.37	15.58%
First Choice Healthcare	46,434.07	5,272.39	7.03%
LIM Labs dba Bio Medlab	5,303.16	602.77	0.80%
MAX MRI Imaging Inc.	1,750.00	200.13	0.27%
Medi-Cal – California Department of Health Care Services	18,810.00	13,018.34	17.36%
Progressive Interpreting	12,790.00	1,453.31	1.94%
Spine Care & Orthopedic Physicians	1,663.00	190.60	0.25%
Net to Client	N/A	9,975.90	13.30%
Total	\$245,515.33	\$75,000.00	100.00%

Our financial investigation reveals that the client supports himself and his family with a marginal income. The client has no other source of income or tangible assets.

DATA FOR COMPROMISE SETTLEMENT

COUNTY OF LOS ANGELES – TREASURER AND TAX COLLECTOR
TRANSMITTAL NO. 139D

Amount of Aid	\$90,646.00	Account Number	12992389
Amount Paid	0.00	Name	Adult Female
Balance Due	\$90,646.00	Service Date	12/1/11 – 1/20/12
Compromise Amount Offered	4,642.53	Facility	Harbor UCLA Medical Center
Amount to be Written Off	\$86,003.47	Service Type	Inpatient -Outpatient

JUSTIFICATION

The client was involved in an automobile versus pedestrian accident. She was treated at Harbor UCLA Medical Center at a cost of \$90,646.00. The client did not have Medi-Cal or private insurance.

The attorney has settled the case for the amount of \$15,000.00 and proposes the following disbursement:

Disbursements	Total Claim	Proposed Settlement	Percent of Settlement
Attorney Fees	\$ 5,000.00	\$ 5,000.00	33.33%
Attorney Cost	1,642.35	0.00	0.00%
Advanced Professional Imaging	98.00	5.02	0.03%
City of Los Angeles Fire Department	1,451.75	74.35	0.50%
County of Los Angeles	91,646.00	4,642.53	30.95%
Orthopedic Pain Management	700.00	35.85	0.24%
Salnic Medical Center	4,730.00	242.25	1.62%
Net to Client	N/A	5,000.00	33.33%
Total	\$105,268.10	\$15,000.00	100.00%

Our financial investigation reveals that the client is unemployed. The client is not receiving public assistance and has no source of income or tangible assets.

DATA FOR COMPROMISE SETTLEMENT

COUNTY OF LOS ANGELES – TREASURER AND TAX COLLECTOR
TRANSMITTAL NO. 139E

Amount of Aid	\$68,597.00	Account Number	12701695
Amount Paid	0.00	Name	Adult Male
Balance Due	\$68,597.00	Service Date	03/15/12 – 06/11/12
Compromise Amount Offered	21,500.00	Facility	LAC USC Medical Center
Amount to be Written Off	\$47,097.00	Service Type	Inpatient /Outpatient

JUSTIFICATION

The client was involved in a truck versus automobile accident. He was treated at LAC USC Medical Center at a cost of \$68,597.00. The client did not have Medi-Cal or private insurance.

The attorney has settled the case for the amount of \$75,000.00 and proposes the following disbursement:

Disbursements	Total Claim	Proposed Settlement	Percent of Settlement
Attorney Fees	\$ 30,000.00	\$30,000.00	40.00%
Attorney Cost	1,561.67	1,561.67	2.08%
Bowers Ambulance	725.00	250.00	0.33%
City of Vernon Fire Department	1,947.25	973.62	1.30%
City of Los Angeles Fire Department	2,152.75	2,152.75	2.87%
County of Los Angeles	68,597.00	21,500.00	28.67%
Victory Physicians Emergency Medical Group	548.00	300.00	0.40%
White Memorial Hospital	5,129.40	1,000.00	1.33%
Net to Client	N/A	17,261.96	23.02%
Total	\$110,661.07	\$75,000.00	100.00%

Our financial investigation reveals that the client supports himself with a marginal income. The client has no other source of income or tangible assets.

DATA FOR COMPROMISE SETTLEMENT

COUNTY OF LOS ANGELES – TREASURER AND TAX COLLECTOR
TRANSMITTAL 139F

Amount of Aid	\$60,262.00	Account Number	12990880
Amount Paid	0.00	Name	Adult Female
Balance Due	\$60,262.00	Service Date	09/11/14 - 01/21/15
Compromise Amount Offered	5,000.00	Facility	LAC USC Medical Center
Amount to be Written Off	\$55,262.00	Service Type	Inpatient/Outpatient

JUSTIFICATION

The client was involved in an automobile versus pedestrian accident. She was treated at LAC USC Medical Center at a cost of \$60,262.00. The client did not have Medi-Cal or Private Insurance.

The attorney has settled the case for the amount of \$15,000.00 and proposes the following disbursement:

Disbursements	Total Claim	Proposed Settlement	Percent of Settlement
Attorney Fees	\$ 6,000.00	\$ 5,000.00	33.33%
Attorney Costs	1,050.00	0.00	0.00%
County of Los Angeles	60,262.00	5,000.00	33.33%
Net to Client	N/A	5,000.00	33.34%
Total	\$67,312.00	\$15,000.00	100.00%

Our financial investigation reveals that the client is unemployed. The client is not receiving public assistance and has no source of income or tangible assets.

DATA FOR COMPROMISE SETTLEMENT

COUNTY OF LOS ANGELES – TREASURER AND TAX COLLECTOR
TRANSMITTAL 139G

Amount of Aid	\$29,925.00	Account Number	12924562
Amount Paid	0.00	Name	Adult Female
Balance Due	\$29,925.00	Service Date	07/30/14 - 05/21/15
Compromise Amount Offered	3,427.00	Facility	LAC USC Medical Center
Amount to be Written Off	\$26,498.00	Service Type	Inpatient/Outpatient

JUSTIFICATION

The client was injured by a hit and run driver. She was treated at LAC USC Medical Center at a cost of \$87,251.74. The client had restricted Medi-Cal benefits, which covered emergency services only. Medi-Cal covered \$85,419.46, which included Medi-Cal's payment of \$28,092.72 and \$57,326.74 in contractual adjustments, leaving a net balance of \$29,925.00. The client did not have private insurance.

The attorney has settled the case for the amount of \$20,000.00 and proposes the following disbursement:

Disbursements	Total Claim	Proposed Settlement	Percent of Settlement
Attorney Fees	\$ 6,666.66	\$ 6,666.66	33.33%
Attorney Costs	72.00	72.00	0.36%
County of Los Angeles	29,925.00	3,427.00	17.14%
Medi-Cal – California Department of Health Care Services	28,092.72	3,500.00	17.50%
Net to Client	N/A	6,334.34	31.67%
Total	\$64,756.38	\$20,000.00	100.00%

Our financial investigation reveals that the client is unemployed. The client is not receiving public assistance and has no source of income or tangible assets.

DATA FOR COMPROMISE SETTLEMENT

COUNTY OF LOS ANGELES – TREASURER AND TAX COLLECTOR TRANSMITTAL 139H

Amount of Aid	\$164,661.00	Account Number	12609754
Amount Paid	0.00	Name	Adult Female
Balance Due	\$164,661.00	Service Date	05/11/11 - 08/03/11
Compromise Amount Offered	43,155.89	Facility	LAC USC Medical Center
Amount to be Written Off	\$121,505.11	Service Type	Inpatient/Outpatient

JUSTIFICATION

The client was involved in a train versus pedestrian accident. She was treated at LAC USC Medical Center at a cost of \$164,661.00. The client did not have private insurance. The client obtained Medi-Cal coverage after receiving service from the LAC USC Medical Center.

The attorney has settled the case for the amount of \$197,500.00 and proposes the following disbursement:

Disbursements	Total Claim	Proposed Settlement	Percent of Settlement
Attorney Fees	\$ 79,000.00	\$ 79,000.00	40.00%
Attorney Costs	16,844.35	16,844.35	8.53%
County of Los Angeles	164,661.00	43,155.89	21.85%
First Priority Management on behalf of Advanced Imaging MRI	2,100.00	210.00	0.11%
Front Line Emergency Care	335.00	335.00	0.17%
Medi-Cal – California Department of Health Care Services	53,196.14	11,243.47	5.69%
Mink Radiology	3,699.00	375.00	0.19%
Richard Emmanuel, M.D.	3,775.00	400.00	0.20%
Ronald Fisk, M.D.	2,200.00	2,200.00	1.11%
Net to Client	N/A	43,736.29	22.15%
Total	\$325,810.49	\$197,500.00	100.00%

Our financial investigation reveals that the client is unemployed and receives Supplemental Security Income. The client has no other source of income or tangible assets.

DATA FOR COMPROMISE SETTLEMENT

COUNTY OF LOS ANGELES – TREASURER AND TAX COLLECTOR
TRANSMITTAL NO. 139I

Amount of Aid	\$444,814.00	Account Number	12999733
Amount Paid	0.00	Name	Adult Male
Balance Due	\$444,814.00	Service Date	02/17/12 - 03/30/12
Compromise Amount Offered	344,814.00	Facility	LAC USC Medical Center
Amount to be Written Off	\$100,000.00	Service Type	Inpatient

JUSTIFICATION

The client was involved in an accident on private property. He was treated at LAC USC Medical Center at a cost of \$444,814.00. The client did not have Medi-Cal and private insurance denied his claim.

The attorney has settled the case for the amount of \$3,850,000.00 and proposes the following disbursement:

Disbursements	Total Claim	Proposed Settlement	Percent of Settlement
Attorney Fees	\$1,540,000.00	\$1,540,000.00	40.00%
Attorney Costs	298,885.98	298,885.98	7.76%
County of Los Angeles	444,814.00	344,814.00	8.96%
Long Beach Memorial Medical Center	554,878.96	180,000.00	4.68%
Operating Engineers Health & Welfare Fund	7,997.35	7,997.35	0.20%
Net to Client	N/A	1,478,302.67	38.40%
Total	\$2,846,576.29	\$3,850,000.00	100.00%

In preparation for trial, the attorney incurred deposition, expert and mediator fees, as well as research and trial preparation costs, which assisted the attorney in reaching a high settlement amount. The legal costs could have been much higher if the case went to trial. However, through his efforts, the attorney was able to negotiate a large settlement.

Our financial investigation revealed that the client is 39 years of age, permanently disabled, receiving Social Security Disability Insurance benefits, and will require extensive future medical treatment as a result of his injuries. The client has no other source of income or tangible assets. We negotiated a 78 percent recovery for our bill. This provides a reasonable recovery for the County and still provides the client a portion of the recovery to care for his future needs.